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*Proposed Counsel for Debtors-in-Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11
	:	
ADVANCE SCIENCE TECHNOLOGIES,	:	Case No. 17-13669 (SMB)
INC.,	:	
	:	
Debtor. <sup>1</sup>	:	
-----	X	
In re:	:	Chapter 11
	:	
FS-IP LLC,	:	Case No. 17-13668 (SMB)
	:	
Debtor.	:	
	:	
-----	X	

**DEBTORS' MOTION PURSUANT TO  
FED. R. BANKR. P. 1015(b) FOR ORDER DIRECTING  
JOINT ADMINISTRATION OF RELATED CHAPTER 11 CASES**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Advance Science Technologies, Inc. ("**AST**") and FS-IP LLC ("**FS-IP**"), as debtors and debtors-in-possession (collectively, the "**Debtors**"), respectfully represent:

**PRELIMINARY STATEMENT**

1. These chapter 11 cases are "prepackaged Chapter 11 case[s]" within the scope and definition set forth in Part II of the Guidelines for Prepackaged Chapter 11 Cases in the

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Advance Science Technologies, Inc. (6977); and FS-IP LLC (5674).

United States Bankruptcy Court for the Southern District of New York (the “**Guidelines**”)<sup>2</sup> as the Debtors, contemporaneously with the filing of their respective chapter 11 petitions, filed, among other documents, the *Debtors’ Joint Prepackaged Plan of Reorganization* (the “**Plan**”) and *Information and Disclosure Statement* (the “**Disclosure Statement**”). All classes of creditors and shareholders entitled to vote accepted the Plan prior to the Petition Date (as defined herein).<sup>3</sup> All other claims and equity interests are not impaired under the Plan.

2. By this Motion, the Debtors seek an order for the joint administration of these cases under the FS-IP case, Case No. 17-13668, for procedural purposes. The Motion is supported by the entire record before the Court, and the *Declaration of Sean Sullivan Pursuant to Local Bankruptcy Rule 1007-2, in Support of First Day Pleadings* (the “**Sullivan Declaration**”).

### **BACKGROUND**

3. On the date hereof (the “**Petition Date**”), the Debtors each commenced with this Court a voluntary case (collectively, the “**Chapter 11 Cases**”) under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to continue to operate their businesses and manage their assets as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner or statutory committee of creditors has been appointed in these chapter 11 cases.

4. Prior to the Petition Date, the Debtors commenced and completed the solicitation of votes on the Plan through its Disclosure Statement.

5. Additional factual background regarding the Debtors, including their business operations, corporate and capital structure and the events leading to these Chapter 11 Cases, is set forth in the Sullivan Declaration.

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<sup>2</sup> Part II of Guidelines provides that “a ‘prepackaged Chapter 11 case’ is one in which the Debtor, substantially contemporaneously with the filing of its Chapter 11 petition, files a Confirmation Hearing Scheduling Motion for Prepackaged Plan in substantially the form annexed [to the Guidelines] as Exhibit A and satisfying the criteria set forth in Part III.A. below, Prepackaged Plan, disclosure statement (or other solicitation document) and voting certification.”

<sup>3</sup> Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Plan.

**JURISDICTION AND VENUE**

6. This Court has jurisdiction over these chapter 11 cases under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated December 1, 2016.

7. This matter constitutes a core proceeding under 28 U.S.C. § 157(b)(2).

8. Venue is proper in this district under 28 U.S.C. §§ 1408 and 1409.

9. The statutory predicates for the relief requested herein are sections 105, 301, 1107, and 1108 of the Bankruptcy Code, Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”) and LBR 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York.

**RELIEF REQUESTED**

10. The Debtors request that the Court maintain one docket for the jointly administered cases under the following consolidated caption:

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----	X	
In re:	:	Chapter 11
	:	
ADVANCE SCIENCE TECHNOLOGIES,	:	Case No. 17-13668 (SMB)
INC., and FS-IP LLC,	:	[Jointly Administered]
	:	
Debtors. <sup>1</sup>	:	
-----	X	

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Advance Science Technologies, Inc. (6977); and FS-IP LLC (5674).

11. The Debtors request that the Court direct the Clerk to enter a notation on the docket of each Debtor’s case reflecting that an Order directing joint administration of Debtor’s case has been entered and that the docket of FS-IP, Case No. 17-13668 (SMB) is the lead case and should be consulted for all matters affecting the Debtors’ cases. While the Debtors propose to jointly administer these cases under the FS-IP case number, the proposed consolidated caption

lists the Debtor name AST first because, under terms of the prepackaged Plan, FS-IP will merge into AST, with AST as the surviving entity.

12. The Debtors also request that they be authorized to file a single monthly operating report as required by the *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees* issued by the Executive Office of the United States Trustee (rev. 11/27/13) for the jointly administered Debtors. However, the Debtors will file the monthly operating report on a consolidating (not consolidated) basis. The report will contain on a consolidating basis the information required for each debtor that tracks and breaks out all of the specific information, e.g., receipts, disbursements, etc., on a debtor-by-debtor basis.

13. The Debtors further request that the Court order that the foregoing caption satisfies the requirements set forth in Section 342(c)(1) of the Bankruptcy Code.

14. A proposed form of order granting the relief requested herein on a final basis is attached hereto as Exhibit A (the “**Proposed Order**”).

#### **BASIS FOR RELIEF**

15. As noted in the Sullivan Declaration, the Debtors have interrelated operations and share the same management. In addition, pursuant to the *Debtor’s Joint Prepackaged Plan of Reorganization* filed contemporaneously, FS-IP will merge with and into AST, with AST as the surviving entity. Joint administration of the Debtors’ cases will reduce fees and costs by avoiding the expense of requesting Court approval of identical motions involving the same parties in two separate cases (such as all “first-day” motions). Joint administration of these cases also will (i) ease the administrative burden for the Court and the parties by avoiding duplicative filings, objections, notices and hearings, (ii) allow the Office of the U.S. Trustee for Region 2 and other interested parties to efficiently monitor the cases and (iii) protect creditors of the Debtors’ estates against potential conflicts of interest. Creditors of the estates will be aware of the cash collateral and financing requests and the relationships between the Debtors, their cases, their assets and their liabilities.

16. The Debtors in these Chapter 11 Cases are “affiliates” as that term is defined in section 101(2) of the Bankruptcy Code. *See* Sullivan Declaration at 2. Bankruptcy Rule 1015(b) provides, in pertinent part, that if “two or more petitions are pending in the same court by or against ... a debtor and an affiliate, the court may order a joint administration of the estates.” Fed. R. Bankr. P. 1015(b). Therefore, this Court is authorized to grant the relief requested herein.

### **NOTICE**

17. Notice of this Motion shall be provided to (i) the attorneys for the Debtors’ Goldman Sachs Specialty Lending Group, L.P., the administrative agent for the senior secured lenders, (ii) all known creditors of the Debtors (iii) the Office of the United States Trustee for Region 2, and (iv) all parties who have requested notice in these chapter 11 cases pursuant to Bankruptcy Rule 2002. The Debtors submit that such notice is sufficient and no other or further notice need be provided.

### **NO PRIOR REQUEST**

18. No previous request for the relief sought herein has been made to this Court or any other court.

### **CONCLUSION**

19. For the foregoing reasons, the Debtors respectfully request that the Court enter the Proposed Order granting the relief requested herein and such further relief as the Court deems just and appropriate.

Dated: December 29, 2017  
New York, New York

PERKINS COIE LLP  
*Proposed Counsel for Debtors-in-  
Possession*

/s/ Schuyler G. Carroll

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# **Exhibit A**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----	X	
In re:	:	Chapter 11
	:	
ADVANCE SCIENCE TECHNOLOGIES,	:	Case No. 17-13669 (SMB)
INC.,	:	
	:	
Debtor. <sup>1</sup>	:	
-----	X	
In re:	:	Chapter 11
	:	
FS-IP LLC,	:	Case No. 17-13668 (SMB)
	:	
Debtor.	:	
-----	X	

**ORDER DIRECTING JOINT ADMINISTRATION OF DEBTORS'  
CHAPTER 11 CASES PURSUANT TO FED. R. BANKR. P. 1015(b)**

Upon the motion (the “*Motion*”)<sup>2</sup> of Advance Science Technologies, Inc. (“*AST*”), and FS-IP LLC (“*FS-IP*”), as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “*Debtors*”), pursuant to Bankruptcy Rule 1015(b), for entry of an order directing the joint administration of the Debtors’ related chapter 11 cases for procedural purposes only, as more fully set forth in the Motion; and the Court having jurisdiction to decide the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157(a)-(b) and 1334(b) and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated December 1, 2016; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; notice of the Motion having been given as provided in the Motion, and such notice appearing to the Court adequate and

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Advance Science Technologies, Inc. (6977); and FS-IP LLC (5674).

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.



appropriate under the circumstances; and it appearing that no other or further notice of the Motion need be provided; and the Court having held a hearing to consider the relief requested in the Motion (the “**Hearing**”); and upon the *Declaration of Sean Sullivan Pursuant to Local Bankruptcy Rule 1007-2, in Support of First Day Pleadings* filed contemporaneously with the Motion, the record of the Hearing, and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their respective estates and creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED.
2. The Debtors’ chapter 11 cases are consolidated for procedural purposes and shall be jointly administered by this Court.
3. Nothing contained in this Order shall be deemed or construed as directing or otherwise affecting the substantive consolidation of the Debtors’ chapter 11 cases.
4. The caption for the jointly administered cases shall read as follows:

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----	X	
In re:	:	Chapter 11
	:	
ADVANCE SCIENCE TECHNOLOGIES,	:	Case No. 17-13668 (SMB)
INC., and FS-IP LLC,	:	[Jointly Administered]
	:	
Debtors. <sup>1</sup>	:	
-----	X	

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Advance Science Technologies, Inc. (6977); and FS-IP LLC (5674).

5. The Clerk shall make a docket entry on each Debtor’s Chapter 11 case reflecting that an Order directing joint administration of Debtor’s case has been entered and that the docket

of FS-IP LLC, Case No. 17-13668 (SMB) is the lead case and should be consulted for all matters affecting the Debtors' cases, substantially as follows:

An Order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of the chapter 11 cases of Advance Science Technologies, Inc., and FS-IP LLC. The docket of Case No. 17-13668 (SMB) should be consulted for all matters affecting the cases.

6. The Debtors may file a single monthly operating report as required by the *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees* issued by the Executive Office of the United States Trustee (rev. 11/27/13) for the jointly administered Debtors. However, the monthly operating report shall be filed on a consolidating (not consolidated) basis. The report shall contain on a consolidating basis the information required for each debtor that tracks and breaks out all of the specific information, e.g., receipts, disbursements, etc., on a debtor-by-debtor basis.

7. The foregoing caption satisfies the requirements set forth in Section 342(c)(1) of the Bankruptcy Code.

8. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise effecting a substantive consolidation of these chapter 11 cases and this Order shall be without prejudice to the rights of the Debtors to seek entry of an order substantively consolidating their respective cases.

9. The Debtors are authorized to take all actions necessary to carry out this Order.

10. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such motion and the requirements of the local rules of this Court are satisfied by such notice.

11. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

12. This Court shall retain jurisdiction to hear and determine all matters rising from or related to the implementation, interpretation, and/or enforcement of this Order.

Dated: \_\_\_\_\_, 2018  
New York, New York

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UNITED STATES BANKRUPTCY JUDGE